

**By Ernest S. Plisko**  
Staff Writer of The Christian Science Monitor

### First Practical Step

Austria's "Volksaktie" dates back to last year's parliamentary elections, when the (conservative) People's Party was searching for some means by which to maintain its slim majority over the Socialist Party (SPÖ), its partner in the coalition government.

## Offering Announced

Last January, the government announced that 30 per cent of the share capital of Austria's two leading nationalized banks, the Creditanstalt-Bankverein and the Länderbank, amounting to 225,000,000 schillings (about \$9,000,000), would be offered in denominations of 500-schillings

The opening quotation for these "preferred" shares was fixed at 115, which represented a premium of 15 per cent, and the underwriting syndicate limited individual purchases to 7,000 schillings for the Creditanstalt-Bankverein shares and to 4,000 schillings for the Länderbank shares.

**Additional 10% to Bankers**

An additional 10 per cent of the share capital of the two banks was sold at a ratio of 1 to 4 to two banking groups affiliated with the People's Party and the SPÖ, respectively. This 10 per cent with a nominal value of 75,000,000 schillings comprised "common shares" giving their owners voting rights, while the preferred shares do not entitle their owners to vote at stockholders' meetings.

As it turned out, this limitation did not hamper the sale of the "Volksaktie." Obviously, the more than 80,000 Austrians who put in purchase orders for almost twice the amount of shares available were much more interested in the 15 per cent pre-

Financial circles are especially pleased with the fact that the purchase of popular investment shares has not halted the increase of savings accounts. (At the end of last year, total savings accounts in Austria amounted to more than 500,000,000 schillings.)

The government's appeals for the purchase of popular investment shares stressed the American example. "One out of five Americans owns stock," an advertisement in one of Vienna's newspapers said, "and has thereby become a partner in a number of flourishing firms."

### Two Other Motives

But the "reorientation of ownership" is only one of the motives that prompted the Austrian Government to issue the "Volkssaktie." Two other motives were the desire to mobilize investment capital and to start reprivatization of nationalized industries.

Reports from Vienna mentioned that a number of Austria's leading nationalized enterprises are eager to obtain much-needed investment capital through issuing popular investment shares. Among these firms are the Alpine Montangesellschaft, the United Aluminum Works Ranshofen-Berndorf, Siemens-Halske, the Linz Nitrogen Works, and the Elin. Inc.

### Dissent Noted

So, far the leadership of the SPÖ has refused to agree on the issuing of further popular investments shares. They feel that such a development tends to reduce the nationalized character of the affected enterprises to mere fiction and that it is unthinkable to allow the private market sector to grow at the expense of the nationalized one.

But there has been considerable dissent within the ranks of the party and most observers forecast that the SPD will have to give in eventually. Arguments in favor of widening the scope of the "Volksaktie," listed in recent government circular, are likely to carry the day.

"It is expected," the circular said, "that this specifically Austrian approach will intensify saving activities, invigorate the capital market, reduce social tensions, and help to achieve compromise in the field of nationalization."

## Esso Claims Record For 'Cracking' Unit

By the Associated Press

Linden, N. J.

Esso Standard Oil Company claimed a new record for a huge "cat cracker" at its Bayway Refinery here.

By running more than 100,000 barrels of oil in a single day the unit set a new high for Ess and all other affiliates of the giant Standard Oil Company (N.J.) system.

A "cat cracker" (or catalytic cracking unit) is a cumbersome apparatus of pipes and boilerlike tanks about as tall as a 14-story office building. It sends forth flames and emits a dull roar that can be heard for miles around. Its job is to convert low-grade petroleum feed stocks into gasoline and other high-grade products.

It uses a catalyst—a chemical agent that speeds chemical processes without actually taking part in them. The catalyst hastens the “cracking” process in which the molecular structure of the oil is changed.